

AMENDED IN SENATE MARCH 18, 2013

**SENATE BILL**

**No. 230**

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**Introduced by Senator Knight**

February 11, 2013

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An act to amend Section 99247 of the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 230, as amended, Knight. Local transportation funds: performance audits.

Existing law provides various sources of funding to public transit operators. Under the Mills-Alquist-Deddeh Act, also known as the Transportation Development Act, revenues from a  $\frac{1}{4}\%$  sales tax in each county are available, among other things, for allocation by the transportation planning agency to transit operators, subject to certain requirements for the operator to maintain a specified farebox ratio of fare revenues to operating costs. The act requires the transportation planning agency to designate entities other than itself, a county transportation commission, a transit development board, or an operator to make a performance audit of its activities and the activities of each operator to whom it allocates funds. The act requires the transportation planning agency to consult with the entity to be audited prior to designating the entity to make the performance audit and defines "operating cost" for this purpose. *Existing law excludes certain costs from this definition, including vehicle lease costs.*

This bill would *also exclude principal and interest payments on all capital projects funded with certificates of participation. The bill would also correct an obsolete cross-reference in this the definition of operating costs.*

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 99247 of the Public Utilities Code is  
2 amended to read:  
3 99247. For purposes of Section 99246, and as used elsewhere  
4 in this article:  
5 (a) “Operating cost” means all costs in the operating expense  
6 object classes exclusive of the costs in the depreciation and  
7 amortization expense object class of the uniform system of  
8 accounts and records adopted by the Controller pursuant to Section  
9 99243, and exclusive of all subsidies for commuter rail services  
10 operated under the jurisdiction of the Surface Transportation Board  
11 and of all direct costs for providing charter services, and exclusive  
12 of all vehicle lease costs *and principal and interest payments on*  
13 *all capital projects funded with certificates of participation.*  
14 (b) “Operating cost per passenger” means the operating cost  
15 divided by the total passengers.  
16 (c) “Operating cost per vehicle service hour” means the  
17 operating cost divided by the vehicle service hours.  
18 (d) “Passengers per vehicle service hour” means the total  
19 passengers divided by the vehicle service hours.  
20 (e) “Passengers per vehicle service mile” means the total  
21 passengers divided by the vehicle service miles.  
22 (f) “Total passengers” means the number of boarding passengers,  
23 whether revenue producing or not, carried by the public  
24 transportation system.  
25 (g) “Transit vehicle” means a vehicle, including, but not limited  
26 to, one operated on rails or tracks, which is used for public  
27 transportation services funded, in whole or in part, under this  
28 chapter.  
29 (h) “Vehicle service hours” means the total number of hours  
30 that each transit vehicle is in revenue service, including layover  
31 time.  
32 (i) “Vehicle service miles” means the total number of miles that  
33 each transit vehicle is in revenue service.  
34 (j) “Vehicle service hours per employee” means the vehicle  
35 service hours divided by the number of employees employed in

1 connection with the public transportation system, based on the  
2 assumption that 2,000 person-hours of work in one year constitute  
3 one employee. The count of employees shall also include those  
4 individuals employed by the operator which provide services to  
5 the agency of the operator responsible for the operation of the  
6 public transportation system even though not employed in that  
7 agency.

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